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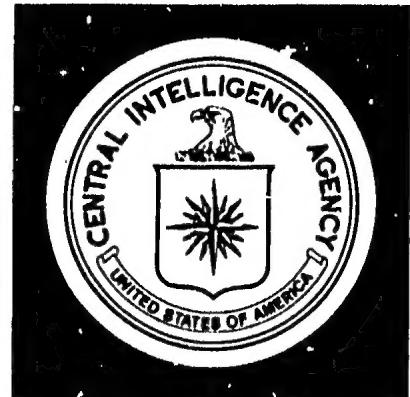
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Developments in Indochina

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25X1

Secret
122

25X1

2 August 1973

Page Denied

Developments in Indochina

This publication is prepared by the Far East Division, Office of Current Intelligence, with occasional contributions from other offices within the Directorate of Intelligence. Comments and queries are welcome. They should be directed to the authors of the individual articles.

CONTENTS

2 August 1973

SOUTH VIETNAM	1
Communist capitals throughout the world are highlighting direct diplomatic and trade ties with the PRG.	
NORTH VIETNAM	3
Pham Van Dong did not get a cancellation of war debts or any new aid commitments from Warsaw.	
LAOS	4
Phoumi Nosavan's supporters are once again agitating for his return to Laos. Bangkok's embargo on rice exports is already being felt in Vientiane.	
ANNEX: The Quest for Peace in Cambodia	6
Some members of the government are at least thinking about possible negotiation approaches to the Communists, but Sihanouk and his Khmers are turning a deaf ear.	

SOUTH VIETNAM

25X1

Stroking the PRG

Communist countries of all colorations have been making much of their direct ties with the PRG in recent weeks. Ambassadors from many Communist countries were accredited in early June and subsequently presented their credentials in Quang Tri Province. Communist countries have also been breaking new ground in the aid and propaganda fields. China, Mongolia, and Yugoslavia have announced that they will supply direct aid to the PRG, and a Mongolian delegation has just handed over 2,400 tons of goods to Communist representatives in northern South Vietnam. Up to now all assistance has gone through North Vietnamese channels. Moreover, during Le Duan's and Pham Van Dong's recent visit the Soviets finally came out with the assertion that the Liberation Front and the PRG "alone" represent the genuine aspirations of the South Vietnamese people.

These recent events are to some extent a logical development of a trend that began even before the signing of the Paris accords, when Peking gave a gala welcome to Madame Binh on one of her trips home from the Paris talks. The Soviets accorded her similar honors as long ago as March and April. As time passes, the importance of playing up the PRG as a separate entity from Hanoi is looming larger. Beating the drums for the PRG is a safe way to help offset the unpalatable messages the Communist countries have been transmitting to their Vietnamese allies on other topics.

It should be noted that all this is being done with one eye on Washington. Aid agreements and showy receptions are one thing; root-and-branch support for all the PRG's demands is quite another, and in this area the allies of the Vietnamese Communists are still treading carefully. Only the Hungarians have recently echoed Vietnamese Communist charges of US and South Vietnamese cease-fire violations, and no country has

2 August 1973

-1-

25X1

officially endorsed the PRG's political demands. At an award ceremony for the PRG ambassador last week, Soviet President Podgorny merely expressed vague "solidarity" with the DRV and PRG positions and pointedly reminded the Vietnamese Communists that the USSR expects all parties to abide by the cease-fire agreement.

25X1

2 August 1973

NORTH VIETNAM

25X1

Hanoi and Warsaw

Premier Pham Van Dong's delegation concluded a six-day visit to Poland on 28 July and departed for Romania. The chief topic of discussion, judging from press reports, was the post-war reconstruction of North Vietnam. The United States was rarely mentioned during the visit, and the few public references to Poland's participation in the ICCS dealt with the contribution of the ICCS to peace. Problems of Poland's role in the ICCS were ignored. The joint statement issued at the end of the visit was fairly bland, with much mutual praise but little hint of the substance of the talks.

Separate "documents" dealing with economic, scientific, and technical cooperation for 1974 and following years were signed, but no details were announced. A Warsaw paper reported that industrial cooperation would increase, and Radio Hanoi claimed that the two sides signed "agreements on loans, deferral of payments on loans, and exchange of goods." The Poles apparently did not follow the lead of Moscow and Budapest in canceling North Vietnam's obligation to repay loans. The language also suggests that--like the Soviets, but unlike the Hungarians--the Poles did not conclude a formal aid agreement.

25X1

2 August 1973

-3-

25X1

LAOS

25X1

Persistent Phoumi Nosavan

Supporters of former rightist strong man Phoumi Nosavan are again agitating for his return to Laos from exile in Thailand. At least some southern rightists would like to see Phoumi return and take up his former post as head of the right wing in a coalition government.

25X1

25X1

Some of the current rumors in Vientiane predicting Phoumi's homecoming assert that even members of the Sananikone family are seriously abetting his return. The powerful Vientiane-based Sananikone faction has long bitterly opposed Phoumi, and if they have voiced some sort of approval, it is probably a mischievous ploy designed to frighten the Communists and cause Souvanna difficulties in the negotiations. Pathet Lao envoys reportedly have already reacted to the rumors, indicating they would oppose Phoumi's return to Vientiane.

Phoumi Nosavan's re-entry onto the Lao political scene could only cause trouble for Souvanna. In the past, he has responded to pressure on the Phoumi issue by saying Phoumi could return, but only after a new coalition government is well established. He almost certainly will continue this line. Souvanna may also expect the US to try to prevail upon Phoumi not to upset the political equilibrium in Vientiane.

25X1

The Rice Shortage

25X1

Laos, which relies heavily on Thailand for the bulk of its 75-100,000 tons of annual grain imports, is encountering shortages this year because of an

2 August 1973

25X1

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embargo on rice exports imposed after crop short-falls in Thailand. Despite a letter from Lao Prime Minister Souvanna Phouma to Thai Prime Minister Thanom, the Thai cabinet has failed to make any emergency exemption for Laos. Thanom had earlier assured Souvanna that Thailand would supply both commercial and US requirements in Laos.

High rice prices in Vientiane have caused members of the National Assembly to complain about the government's economic policies. Those hardest hit by the rice shortage, however, are Lao military units and the large numbers of refugees in the countryside, whose only source of glutinous rice is US Government purchases from Thailand. To cope with the shortage and stretch existing stocks, the rice ration for these groups has been cut by about 40 percent, with an increase in dry rations and canned meat. The net effect of this dietary change is maintenance of the highest possible protein content but a reduction in caloric intake. The new rice ration is the minimum level that can be provided without serious medical problems.

25X1

2 August 1973

-5-

25X1

ANNEX

25X1

The Quest for Peace in Cambodia

More than three weeks ago Phnom Penh issued a new six-point peace initiative that seeks an immediate cease-fire, negotiations with the "other side," reactivation of the International Control Commission (ICC) in Cambodia, and strict implementation of Article 20 of the Paris agreement--which calls for the withdrawal of all foreign forces. Although the Lon Nol government was not unduly surprised by Sihanouk's quick and caustic rejection of the initiative, it probably hoped that the proposed peace plan would focus favorable international attention on Phnom Penh's interest in ending the fighting and opening negotiations. Thus far the response from abroad--with the exception of Washington's endorsement of the proposal--has not been encouraging.

The government was especially hopeful that the request for reactivation of the ICC would prompt some public statements of support or perhaps even a conference of ICC member nations. Those countries connected with the Cambodian ICC, however, have shown little enthusiasm for the initiative. Unofficially, the Canadians have indicated a strong distaste for any further peace-keeping role, and the British have displayed a reluctance to second the call for the ICC's reactivation until prospects for a cease-fire and a political settlement improve. Soviet, Polish, and Indian officials have been similarly noncommittal. Some Soviet officials have called reactivation of the ICC under present conditions "premature." The Soviets, moreover, have failed to respond to Foreign Minister Long Boret's request to visit Moscow for discussions on the initiative. Moscow's foot-dragging has led Boret to delay similar trips to New Delhi, Warsaw, London, and Ottawa.

2 August 1973

The only Asian nation that has shown any inclination to involve itself in the Cambodian situation is Indonesia. President Suharto in mid-July reportedly was planning to send two envoys to North Korea--where Sihanouk is now visiting--to explore the prospects for a compromise solution. Suharto claimed that an Indonesian representative had previously tried to persuade Sihanouk that a military victory for the insurgents was not possible, but the prince was not convinced. Long Boret is planning to visit Jakarta in early August for discussions on a possible role for Indonesia in arranging a cease-fire and negotiations.

High-level interest in actually talking with the other side includes several government leaders in Phnom Penh. Last week, High Political Council members Cheng Heng and In Tam, apparently acting independently, reportedly planned to send unofficial emissaries abroad--most likely to Paris--in an attempt to establish contact with members of Sihanouk's government-in-exile. Both emissaries are lesser known government officials who have past associations with members of Sihanouk's entourage in Peking. One of the emissaries admits that his chances of opening up a dialogue are poor.

Another prominent Cambodian, former prime minister Son Sann, is also continuing his independent search for peace. Sann, who has spent most of the past three years in Paris, is now on one of his infrequent visits to Phnom Penh. Before leaving the French capital, he told a US Embassy officer that he sees two major problems in negotiating with the Communists. The first is Sihanouk's claim that his "government" alone is legitimate. The second is the variety of groups now included on the other side. He said that the nationalists within the insurgency must be encouraged to break away from the Hanoi-dominated elements. According to Sann, the latter are opposed to negotiations because a protracted conflict enables them to expand their political control over the countryside.

2 August 1973

Son Sann's scenario for a peaceful settlement includes the removal of Lon Nol from Cambodia as the first step. Sann claims that Lon Nol is opposed to negotiations. Sirik Matak also would have to leave, either at the same time or as soon as he sees that his presence prevents a settlement. Cheng Heng and In Tam would rule without a formal government, governing directly through technicians, most of whom would be drawn from the Democratic Party because it is more receptive to a policy of a negotiated settlement and has many friends on the Communist side. Son Sann himself would attempt to form a popular political movement which would give him the credentials to deal with Sihanouk's "prime minister," Penn Nouth.

Sann floated some of these ideas during a trip to Phnom Penh a few months ago. Although Lon Nol showed little interest, Sann claimed that Cheng Heng and In Tam support his program. Sann thinks that the situation is becoming so "desperate" that the people are now ready for his scheme.

Deaf Ears on the Other Side

Even if Son Sann's scenario should attract more interest in Phnom Penh, it almost certainly will have little or no appeal at this juncture to Sihanouk and the Khmer Communists, who appear bent on maintaining their hard line on a cease-fire and negotiations.

25X1

2 August 1973

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